Coughlin Midlige & Garland Trial Team Obtains Favorable Results

In an insurance coverage action arising from asbestos-related bodily injury actions, Coughlin Midlige & Garland attorneys secured favorable decisions, both on summary judgment and after trial, that significantly impact the insurance industry under Connecticut law.

After trial in *R.T. Vanderbilt v. Hartford Accident & Indemnity Co.*, the Connecticut Superior Court held that certain of Coughlin Midlige & Garland's client's primary policies were exhausted because the allocation methodology used by the insurer in the absence of law setting forth a methodology was objectively reasonable and in good faith. Because the allocation methodology adopted by Coughlin Midlige & Garland's client was reasonable and in good faith, the Court ruled that it would not compel the insurer to retroactively re-allocate its indemnity payments. The Court also held that the policyholder was responsible for gaps in coverage and periods during which its insurers were insolvent.

In addition, the Court granted summary judgment in Coughlin Midlige & Garland's client's favor on the issue of whether the umbrella or excess coverage in umbrella/excess policies provides coverage once the underlying primary policies exhaust. The issue turned on whether the claims remained "covered" by the underlying policies once those policies exhausted. The Court held that despite the exhaustion of the underlying primary policies, the claims remained "covered" for purposes of determining whether the excess or umbrella coverage would apply, and that the excess coverage applies. Because of the decision, Coughlin Midlige & Garland's client has no obligation to pay defense costs for the nine years covered by the policies.